

December 22, 2010

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VIA ELECTRONIC FILING & HAND DELIVERY

Jocelyn Boyd, Chief Clerk of the Commission
Public Service Commission of South Carolina
PO Drawer 11649
Columbia, SC 29211

**Re: Duke Energy Carolinas, LLC
Avoided Cost Information Pursuant to PURPA Section 210
Docket No. 1980-251-E**

Dear Ms. Boyd:

Part 292 of the Federal Energy Regulatory Commission ("FERC") regulations under Section 210 of the Public Utility Regulatory Policies Act of 1978 ("PURPA") requires electric utilities to make available and provide to its state regulatory commission certain avoided cost information. This information is to be provided "not less often than every two years." The requirement to provide avoided cost information to the Commission is also referenced in the Commission's Order dated September 29, 1980, in Docket No. 80-251-E.

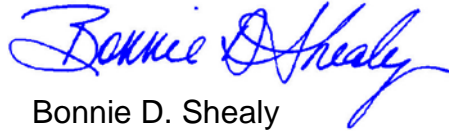
Duke Energy Carolinas, LLC ("Duke Energy Carolinas" or the "Company") last provided avoided cost information pursuant to Section 292.302 of the FERC regulations to the Commission by letter dated December 22, 2008. The Company believes that filing updated information with the Commission is appropriate at this time. Enclosed is Duke Energy Carolinas' 2010 Section 292.302 filing. The Company respectfully requests that Attachment B (two pages) be filed with the Commission under seal and maintained as confidential pursuant to Order No. 2005-226. Attachment B contains confidential information that is proprietary and commercially sensitive. The Company requests that the Commission grant the Company's request for confidential treatment pursuant to 26 S.C. Code Ann Regs. 103-804(S)(2) (2009 Supp.) and protect this information from public disclosure.

By copy of this letter we are providing the same information to the South Carolina Office of Regulatory Staff.

Should you have any questions, please contact me.

Very truly yours,

ROBINSON, MCFADDEN & MOORE, P.C.



Bonnie D. Shealy

/bds
Enclosure

cc/enc: Dan F. Arnett, ORS Chief of Staff (Confidential Version via hand delivery)
Shannon Hudson, ORS Staff Attorney (Public Version via email)
Timika Shafeek-Horton, Associate General Counsel (via email)
Kendrick Fentress, Assistant General Counsel (via email)

2010 Filing

PURPA SECTION 210
18 CFR 292.302 (b)(2)

DUKE ENERGY CAROLINAS

Future Resource Additions

The following table contains proposed resource additions based on the Duke Energy Carolinas' Annual Plan filed in September 2010 with revisions made to the renewable capacity to reflect a new load forecast. The table represents the annual incremental additions reflected in the Seasonal Projections of Load, Capacity, and Reserves Table of the most robust expansion plan.

ANNUAL CAPACITY ADDITIONS

<u>YEAR</u>	<u>PEAKING/INTERMEDIATE (MW^a)</u>	<u>BASELOAD (MW)</u>
2010		
2011		
2012	620 MW Combined Cycle - Buck	825 MW Coal - Cliffside 6 10 MW Nuclear Uprates
2013	620 MW Combined Cycle - Dan River	45 MW Nuclear Uprates
2014		18 MW Nuclear Uprates
2015		
2016		
2017	740 MW Combustion Turbine/Combined Cycle	21 MW Nuclear Uprates
2018		81 MW Nuclear Uprates
2019	740 MW Combustion Turbine/Combined Cycle	30 MW Nuclear Uprates
2020	740 MW Combustion Turbine/Combined Cycle	
2021		1117 MW Nuclear - Lee 1
2022		
2023		1117 MW Nuclear - Lee 2
2024		
2025		

<u>YEAR</u>	<u>RENEWABLES (MW)</u>
2010	11 MW
2011	22 MW
2012	81 MW
2013	17 MW
2014	27 MW
2015	118 MW
2016	1 MW
2017	1 MW
2018	80 MW
2019	3 MW
2020	
2021	48 MW
2022	4 MW
2023	5 MW
2024	5 MW
2025	5 MW

Note a: Although the gas-fired capacity additions shown in the most robust plan were combustion turbines, the final determination of whether the capacity should be peaking or intermediate will be based on circumstances at the time the decision is made.

BEFORE
THE PUBLIC SERVICE COMMISSION
OF SOUTH CAROLINA

DOCKET NO. 1980-251-E

IN RE:)
)
PUBLIC UTILITY REGULATORY)
POLICIES ACT (PURPA) of 1978)
)
)

Duke Energy Carolinas, LLC

2010 Section 292.302 filing

Attachment B

CONFIDENTIAL
FILED UNDER SEAL